

# CORE HOUSING OWNER INCENTIVE EXEMPTION – CHOICE

The Core Housing Owner Incentive Exemption (CHOICE) offers property tax exemptions for the creation of owner-occupied residential units. The intent of the program is to increase the number of owner occupants living in the City of Rochester. The program was adopted by a resolution approved by the Rochester City Council, and is implemented through the County of Monroe Industrial Development Agency (COMIDA) through a Payment in Lieu of Tax Agreement and sale leaseback arrangement. Additional benefits available under from COMIDA may include a sales tax exemption on construction materials and mortgage tax exemptions.

Eligible Area: Citywide

Project Qualifications: The exemption applies to any new owner occupied unit created from new construction or renovation. The exemption also applies to the conversion from existing residential rental units to owner occupied units. The exemption only applies to the increased in assessed value attributable to the project. The exemption is limited to no more than \$500,000 of increased assessed value for each eligible project. If there is minimal or no increase in assessment resulting from the project, the exemption would not likely provide a benefit for the applicant. Every project seeking assistance under this program must use local labor for the construction of new, expanded or renovated facilities (see Section VIII of the COMIDA application).

Exemption: The exemption applies to the increase in assessed value resulting from the project. The exemption applies to City of Rochester, Rochester City School and County of Monroe property tax levies. The exemption schedule is as follows:

<u>Year of Exemption</u>	<u>Exemption</u>
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%

Application: Applications must be submitted and approved by COMIDA prior to the commencement of construction. Applications for COMIDA assistance are available at:  
<https://monroecountybusiness.org/application/>

COMIDA Fees: The fees to apply COMIDA benefits including the CHOICE program are described below (please contact COMIDA to confirm all fees):

1. Application Fee - Send with Completed Application

A non-refundable application fee of Three Hundred Fifty Dollars (\$350.00) shall be charged each applicant.

2. Administrative Fee - Paid at Closing

CHOICE Program PILOT – ¼% of the project amount

Leaseback Fee – ½% of the project amount

Sales Tax Exemption (only available to developer for construction materials) – ¼% of the project amount

3. If a sales tax letter is required prior to closing, a non-refundable twenty-five percent (25%) of the Administrative Fee and Agency Council fee is payable at that time. This amount will be applied towards the Administrative fee and Agency Council Fee.

4. Agency Counsel fee is one-third (1/3) of the Agency's Administrative fee, with a minimum fee for a lease/leaseback transaction of \$4,000.00.

Any questions relating to the program should be directed to Anne DaSilva Tella, Assistant Commissioner of Neighborhood and Business Development at [Anne.DaSilvaTella@CityofRochester.Gov](mailto:Anne.DaSilvaTella@CityofRochester.Gov).